

355.9-104 Control of deposit account.

- (1) A secured party has control of a deposit account if:
 - (a) The secured party is the bank with which the deposit account is maintained;
 - (b) The debtor, secured party, and bank have agreed in a signed record that the bank will comply with instructions originated by the secured party directing disposition of the funds in the deposit account without further consent by the debtor;
 - (c) The secured party becomes the bank's customer with respect to the deposit account; or
 - (d) Another person, other than the debtor:
 1. Has control of the deposit account and acknowledges that it has control on behalf of the secured party; or
 2. Obtains control of the deposit account after having acknowledged that it will obtain control of the deposit account on behalf of the secured party.
- (2) A secured party that has satisfied subsection (1) of this section has control, even if the debtor retains the right to direct the disposition of funds from the deposit account.

Effective: January 1, 2025

History: Amended 2024 Ky. Acts ch. 10, sec. 45, effective January 1, 2025. -- Repealed and reenacted 2000 Ky. Acts ch. 408, sec. 24, effective July 1, 2001. -- Amended 1986 Ky. Acts ch. 118, sec. 56, effective July 1, 1987. -- Created 1958 Ky. Acts ch. 77, sec. 9-104, effective July 1, 1960.